

SECOND REGULAR SESSION

# SENATE BILL NO. 1312

92ND GENERAL ASSEMBLY

---

INTRODUCED BY SENATOR CALLAHAN.

Read 1st time February 26, 2004, and ordered printed.

TERRY L. SPIELER, Secretary.

4779S.01I

---

## AN ACT

To repeal section 353.110, RSMo, and to enact in lieu thereof one new section relating to property tax abatement.

---

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Section 353.110, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 353.110, to read as follows:

353.110. 1. Once the requirements of this section have been complied with, the real property of urban redevelopment corporations acquired pursuant to this chapter shall not be subject to assessment or payment of general ad valorem taxes imposed by the cities affected by this law, or by the state or any political subdivision thereof, for a period not in excess of ten years after the date upon which such corporations become owners of such real property, except to such extent and in such amount as may be imposed upon such real property during such period measured solely by the amount of the assessed valuation of the land, exclusive of improvements, acquired pursuant to this chapter and owned by such urban redevelopment corporation, as was determined by the assessor of the county in which such real property is located, or, if not located within a county, then by the assessor of such city, for taxes due and payable thereon during the calendar year preceding the calendar year during which the corporation acquired title to such real property. The amounts of such tax assessments shall not be increased during such period so long as the real property is owned by an urban redevelopment corporation and used in accordance with a development plan authorized by the legislative authority of such cities.

2. In the event, however, that any such real property was tax exempt immediately prior to ownership by any urban redevelopment corporation, such assessor or assessors shall, upon acquisition of title thereto by the urban redevelopment corporation, promptly assess such land, exclusive of improvements, at such valuation as shall conform to but not exceed

the assessed valuation made during the preceding calendar year of other land, exclusive of improvements, adjacent thereto or in the same general neighborhood, and the amount of such assessed valuation shall not be increased during the period set pursuant to subsection 1 of this section so long as the real property is owned by an urban redevelopment corporation and used in accordance with a development plan authorized by the legislative authority of such cities. For the next ensuing period not in excess of fifteen years, ad valorem taxes upon such real property shall be measured by the assessed valuation thereof as determined by such assessor or assessors upon the basis of not to exceed fifty percent of the true value of such real property, including any improvements thereon, nor shall such valuations be increased above fifty percent of the true value of such real property from year to year during such next ensuing period so long as the real property is owned by an urban redevelopment corporation and used in accordance with an authorized development plan. After a period totaling not more than twenty-five years, such real property shall be subject to assessment and payment of all ad valorem taxes, based on the full true value of the real property; provided, that after the completion of the redevelopment project, as authorized by law or ordinance whenever any urban redevelopment corporation shall elect to pay full taxes, or at the expiration of the period, such real property shall be owned and operated free from any of the conditions, restrictions or provisions of this chapter, and of any ordinance, rule or regulation adopted pursuant thereto, any other law limiting the right of domestic and foreign insurance companies to own and operate real estate to the contrary notwithstanding.

3. No tax abatement or exemption authorized by this section shall become effective unless and until the governing body of the city:

(1) Furnishes each political subdivision whose boundaries for ad valorem taxation purposes include any portion of the real property to be affected by such tax abatement or exemption with a written statement of the impact on ad valorem taxes such tax abatement or exemption will have on such political subdivisions and written notice of the hearing to be held in accordance with subdivision (2) of this subsection. The written statement and notice required by this subdivision shall be furnished as provided by local ordinance before the hearing and shall include, but need not be limited to, an estimate of the amount of ad valorem tax revenues of each political subdivision which will be affected by the proposed tax abatement or exemption, based on the estimated assessed valuation of the real property involved as such property would exist before and after it is redeveloped;

(2) Conducts a public hearing regarding such tax abatement or exemption, at which hearing all political subdivisions described in subdivision (1) of this subsection shall have the right to be heard on such grant of tax abatement or exemption;

(3) Enacts an ordinance which provides for expiration of development rights, including the rights of eminent domain and tax abatement, in the event of failure of the urban redevelopment corporation to acquire ownership of property within the area of the

development plan. Such ordinance shall provide for a duration of time within which such property must be acquired, and may allow for acquisition of property under the plan in phases.

4. Notwithstanding any other provision of law to the contrary, payments in lieu of taxes may be imposed by contract between a city and an urban redevelopment corporation which receives tax abatement or exemption on property pursuant to this section. **Payments in lieu of tax to any political subdivision within the area of the redevelopment plan that receives funding pursuant to section 163.031, RSMo, in an amount equal to the abatement shall also be required for any urban redevelopment corporation wherein the redevelopment plan involves the development of a newspaper printing facility in any home rule city with more than four hundred thousand inhabitants and located in more than one county.** Such payments shall be made to the collector of revenue of the county or city not within a county by December thirty-first of each year payments are due. The governing body of the city shall furnish the collector a copy of any such contract requiring payment in lieu of taxes. The collector shall allocate all revenues received from such payment in lieu of taxes among all taxing authorities whose property tax revenues are affected by the exemption or abatement on the same pro rata basis and in the same manner as the ad valorem property tax revenues received by each taxing authority from such property in the year such payments are due.

5. The provisions of subsection 3 of this section shall not apply to any amendment or future amendment to a phased development plan approved by the governing body of the city prior to the effective date of the provisions of subsection 3 of this section and upon which construction has been in progress pursuant to such phased plan.

**T**

Copy